

Real Estate Analysis Corporation

Real Estate Research & Valuation Consultants, Since 1977

February 5, 2001

OFFICIAL FILE

Ms. Diane Richardson
ComEd
Real Estate Services
227 West Monroe Street, 11th Floor
Chicago, Illinois 60606

I.C.C. DOCKET NO. 01-0274

ADJ Exhibit No. 1

Witness _____

Date 10/25/01 reporter JV

Re: Commonwealth Edison
9243 North Laramie
Skokie, Illinois
Cook County
P.I.N.: 10-16-212-018
Job No.: 2001-00005

Dear Ms. Richardson:

Real Estate Analysis Corporation has prepared a complete appraisal of the above-referenced property. The enclosed document communicates the salient data and conclusions of the appraisal in a summary report format. The purpose of the appraisal is to estimate the market value of the fee simple estate of the subject property.

Market Value, as defined by Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) and the Uniform Standards of Professional Appraisal Practice, 1999 Edition, is as follows:

"...the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) Buyer and seller are typically motivated;
- (2) Both parties are well informed or well advised, and acting in what they consider their own best interest;
- (3) A reasonable time is allowed for exposure in the open market;
- (4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

Ms. Diane Richardson
ComEd
February 5, 2001
Page 2

Fee Simple Estate is defined by The Dictionary of Real Estate Appraisal, 3rd Ed., as:

"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

The subject of the appraisal is an 8,640 square foot parcel of land zoned for industrial use. The subject site is currently improved with asphalt/gravel paving and contains electrical transmission equipment. The land underlying the improvements is currently leased by ComEd under the terms of a ground lease dating back to 1965. At the client's request, the improvements are excluded from this analysis, and the land is appraised as though vacant.

The conclusions reached in the analysis are subject to the assumptions and limiting conditions set forth in the report.

In our opinion, the market value of the fee simple estate as of January 1, 2001 was:

SIXTY THOUSAND DOLLARS

\$60,000

Respectfully submitted,

REAL ESTATE ANALYSIS CORPORATION



John W. Van Santen, MAI

Illinois State Certification Number:

153-001073

Certification Expiration Date:

September 30, 2001

APPRAISAL REPORT

of

**Commonwealth Edison
9243 North Laramie
Skokie, Illinois**

02/05/01

Real Estate Analysis Corporation

Table of Contents

<u>Section</u>	<u>Page No.</u>
INTRODUCTION	1
SUMMARY OF SALIENT FACTS AND CONCLUSIONS	2
IDENTIFICATION OF THE PROPERTY	3
PURPOSE OF THE APPRAISAL	3
PROPERTY RIGHTS APPRAISED	3
DEFINITION OF VALUE	3
INTENDED USE OF THE APPRAISAL	4
SCOPE OF THE APPRAISAL	4
<i>Inspection</i>	4
<i>Research</i>	4
<i>Valuation</i>	5
PROPERTY HISTORY	5
EXPOSURE	5
TAX AND ASSESSMENT DATA	6
SITE DATA	7
ZONING	8
<i>M-2 Light Industry</i>	8
FLOOD PLAIN	9
NEIGHBORHOOD ANALYSIS	10
SUBJECT MAPS	11
SUBJECT PHOTOS	12
HIGHEST AND BEST USE	14
<i>Highest and Best Use as Vacant</i>	16
METHODS OF VALUATION	17
THE SALES COMPARISON APPROACH	18
<i>Land Value</i>	19
CONCLUSION	33
RECONCILIATION AND FINAL ESTIMATE OF VALUE	34
CONTINGENT CONDITIONS	35
CERTIFICATION	37
QUALIFICATIONS OF THE APPRAISER	39
<i>John W. VanSanten</i>	39
ADDENDEUM	40
<i>Legal Description</i>	41

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Introduction

- Summary of Salient Facts and Conclusions
- Identification of the Property
- Purpose of the Appraisal
- Property Rights Appraised
- Definition of Value
- Intended Use of the Appraisal
- Scope of the Appraisal
- Property History
- Exposure
- Tax and Assessment Data
- Site Data
- Zoning
- Flood Plain
- Analysis of Subject Community Area
- Neighborhood Analysis
- Subject Maps
- Subject Photos
- Highest and Best Use
- Methods of Valuation

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Summary of Salient Facts and Conclusions

Purpose of Appraisal:	Market Value
Intended Use of The Appraisal:	Condemnation
Property Rights Appraised:	Fee Simple Estate
Address:	9243 North Laramie Skokie, Illinois
Zoning:	M-2: Light Industry
Site Size:	8,640 Square Feet
Highest and Best Use (as vacant):	Industrial
Value Indication:	
Sales Comparison Approach:	\$60,000
Final Opinion of Value:	\$60,000
Effective Date of Appraisal:	January 1, 2001
Date of Transmittal:	February 5, 2001
Date of Physical Inspection:	January 31, 2001

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Identification of the Property

The subject of this appraisal is a parcel of land located at 9243 North Laramie, Skokie, Illinois. The subject site is currently improved with asphalt/gravel paving and contains electrical transmission equipment. At the client's request, the improvements are excluded from this analysis and the site is appraised as though vacant. The subject property is currently identified by the County Assessor's Office with Permanent Index Number 10-16-212-018. A legal description was provided, and is included in the addendum.

Purpose of the Appraisal

The purpose of this appraisal is to estimate the market value of the fee simple estate of the subject property as of January 1, 2001.

Property Rights Appraised

The property rights of the subject property are appraised in fee simple estate.

Fee Simple Estate is defined by The Dictionary of Real Estate Appraisal, 3rd Ed., as:

"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

Definition of Value

Market Value, as defined by Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), is as follows:

"...the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) Buyer and seller are typically motivated;
- (2) Both parties are well informed or well advised, and acting in what they consider their own best interest;
- (3) A reasonable time is allowed for exposure in the open market;
- (4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with sale."

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Intended Use of the Appraisal

The intended use of this appraisal is for condemnation purposes for ComEd. The appraiser does not intend use of this report by others.

Scope of the Appraisal

The scope of this complete appraisal, in a summary-reporting format, includes the collection of data, research, and analyses necessary to provide a report that conforms to the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation. All definitions used within this report are from The Dictionary of Real Estate Appraisal 3rd Edition, and The Appraisal of Real Estate, 11th Edition, both published by the Appraisal Institute.

Inspection

The subject property was inspected by John W. Van Santen, MAI, on January 31, 2001. The land area is 8,640 square feet and was obtained from a Sidwell Map.

An environmental study of the subject real estate has not been furnished to the appraiser nor is it within the realm of the appraiser's expertise to identify hazardous materials. It is assumed that any hazardous materials have not contaminated the subject property.

A driving tour of the immediate neighborhood was performed on the date of the inspections to collect information on the physical, social and economic factors that impact the value of the property.

Research

Demographic and economic data is obtained from: the 1980 and 1990 Census of Population and Housing, the 1987 Economic Censuses, the most recent available year of applicable County Business Patterns publication, periodical and newspaper articles, local/state governmental agencies and local chamber of commerce publications, and selected commercial publications. Information regarding real estate taxes and property ownership of the subject is taken from the official records of the County Assessor's Office.

Sales data in this report is collected from brokers, trade publications and other sources. Verification is obtained from the buyer, seller, broker, attorney or other persons knowledgeable of the transaction. A physical inspection is performed for each land sale.

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Valuation

The compiled research data is the foundation of the highest and best use as vacant for the subject. This data is applied to the Sales Comparison Approach to develop an indication of value.

Property History

A search of public records of deed transfers for the subject property indicates that there has not been a deed transfer in the five years preceding the date of valuation.

Additionally, an inquiry made to a representative of the subject property indicated there has not been a deed transfer in the five years preceding the effective date of valuation.

The subject site is currently owned by three descendants of Anders G. Erikson, and leased to ComEd under the terms of a ground lease dating to April of 1965.

Exposure

Exposure is defined by The Dictionary of Real Estate Appraisal, 3rd Ed., as:

"The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market. Exposure time is always presumed to occur prior to the effective date of the appraisal. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. Exposure time is different for various types of real estate and value ranges and under various market conditions."

Based on the industrial market in this area, the appropriate exposure time for the subject property is estimated to be one year or less.

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Tax and Assessment Data

Assessment data pertaining to the subject property is obtained from the County Assessor's Office. The following is the 1999 assessment for the subject property.

Parcel Number	Land Assessment	Improved Assessment	Total Assessment
Totals	\$16,452	\$0	\$16,452

County assesses a property at a percentage of its market value using the following classifications (excluding incentive classifications):

Property Type	Statutory Ratio of Assessment
Single Family Residential	16%
Vacant Land	22%
Not-for-Profit Fraternal Organizations	30%
Rental Residential Over 6 Units	33%
Industrial	36%
Commercial	38%

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Site Data

Location

The subject site is located at 9243 North Laramie Avenue, approximately 400 feet north of the northeast corner of Church Street and Laramie Avenue in Skokie, Illinois. This section of Laramie Avenue has been vacated by the Village of Skokie, and the site is accessed through a paved parking area owned by ComEd.

Physical

The subject site is rectangular in shape, and contains 8,640 square feet. Since this section of Laramie Avenue has been vacated, the subject site does not have street frontage. The site is level, and is served by all utilities.

Subsoil

It is recommended that an engineer perform a subsoil analysis before any development or sale.

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Zoning

The subject site is zoned as M-2, Light Industry. The following are excerpts from the Skokie zoning ordinance:

M-2 Light Industry

Permitted Uses

Permitted uses in the M-2 Light Industry District include industrial, manufacturing and warehousing uses.

Special Uses

- Automobile laundries.
- Go-Kart tracks.
- Hospitals.
- Motor Freight Terminals.
- Planned Developments.
- Rail transit passenger facilities.
- Food Processing Plants.

Maximum Building Height

35 feet

Maximum Lot Coverage

60%

Set Backs

Front Yard	25 Feet
Side Yard	20 Feet
Rear Yard	30 Feet

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Flood Plain

Flood plains are normally dry land areas which experience a temporary condition of partial or complete overflow of inland or tidal waters from unusual and rapid accumulation or runoff of surface waters.

The following table is published by the Federal Emergency Management Agency and shows all zones delineated by the Federal Insurance Rate Maps. The subject property is not located in a flood zone, and the Federal Emergency Management Agency has not published a Federal Insurance Rate Map for this area.

Zone	Condition
A	Areas of 100-year flood; base flood elevations and flood hazard factors not determined.
AO	Areas of 100-year shallow flooding where depths are between one (1) and three (3) feet; average depths of inundation are shown, but no flood hazard factors are determined.
AH	Areas of 100-year shallow flooding where depths are between one (1) and three (3) feet; base flood elevations are shown, but no flood hazard factors are determined.
A1-A30	Areas of 100-year flood; base flood elevations and flood hazard factors determined.
A99	Areas of 100-year flood to be protected by flood protection system under construction; base flood elevations and flood hazard factors not determined.
B	Areas between limits of the 100-year flood and 500-year flood; or certain areas subject to 100-year flooding with average depths less than one (1) foot or where the contributing drainage area is less than one square mile; or areas protected by levees from the base flood. (Medium shading)
C	Areas of minimal flooding. (No shading)
D	Areas of undetermined, but possible, flood hazards.
V	Areas of 100-year coastal flood with velocity (wave action); base flood elevations and flood hazard factors not determined.
V1-V30	Areas of 100-year coastal flood with velocity (wave action); base flood elevations and flood hazard factors determined.
VE	Coastal flood with velocity hazard (wave action); base flood elevations determined.
Unshaded X	Areas determined to be outside 500-year flood plain.
Shaded X	Areas of 500 year flood; areas of 100-year flood with average depths of less than 1 foot or with drainage area less than 1 square mile; and areas protected by levees from 100-year flood.

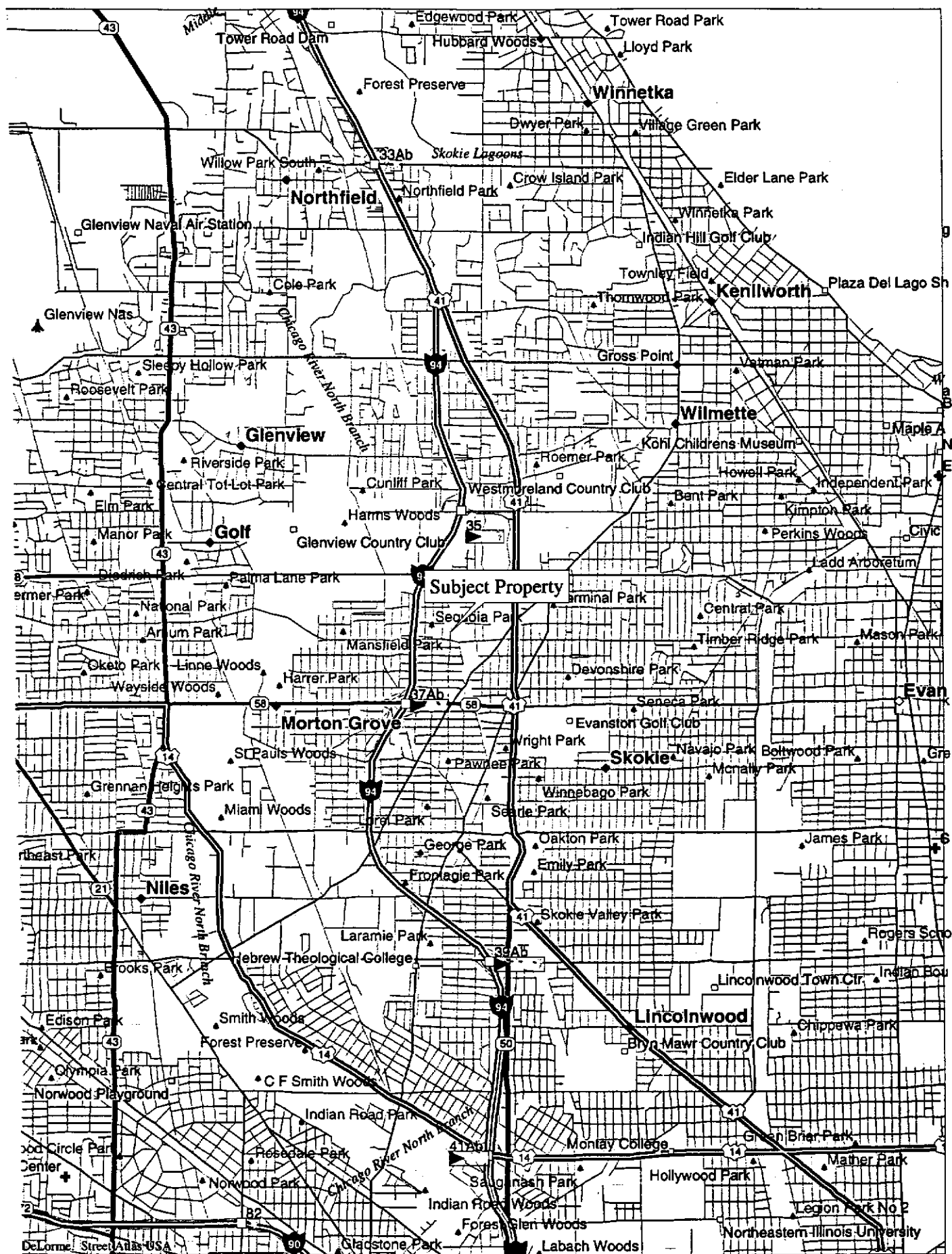
Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Neighborhood Analysis

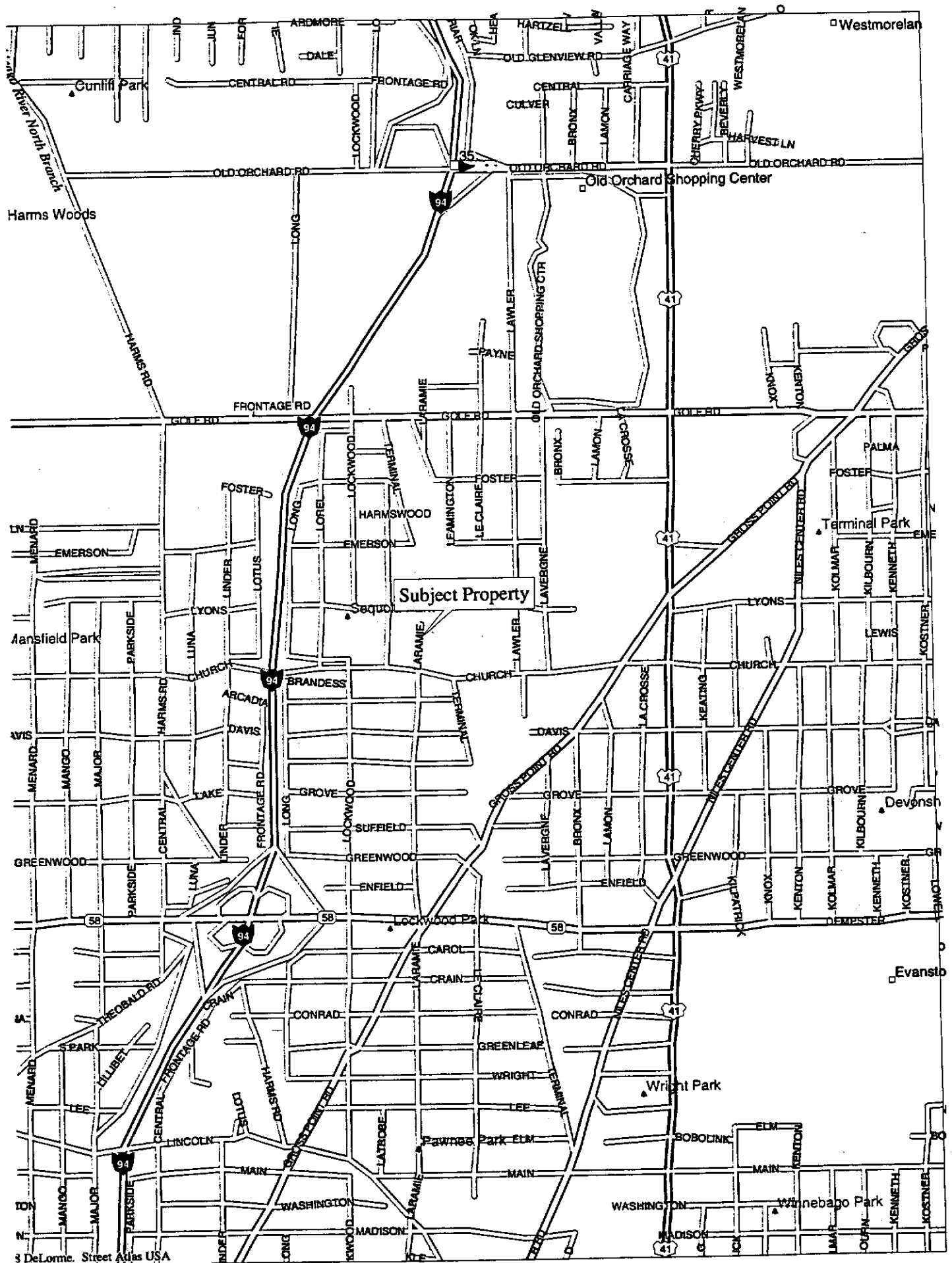
The subject is located in the northeast section of the Village of Skokie. The neighborhood is generally defined as that area bounded by Golf Road to the north, Dempster Street to the south, the Edens Expressway to the west and Gross Point Road to the east. The subject is located in the central portion of this defined neighborhood.

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

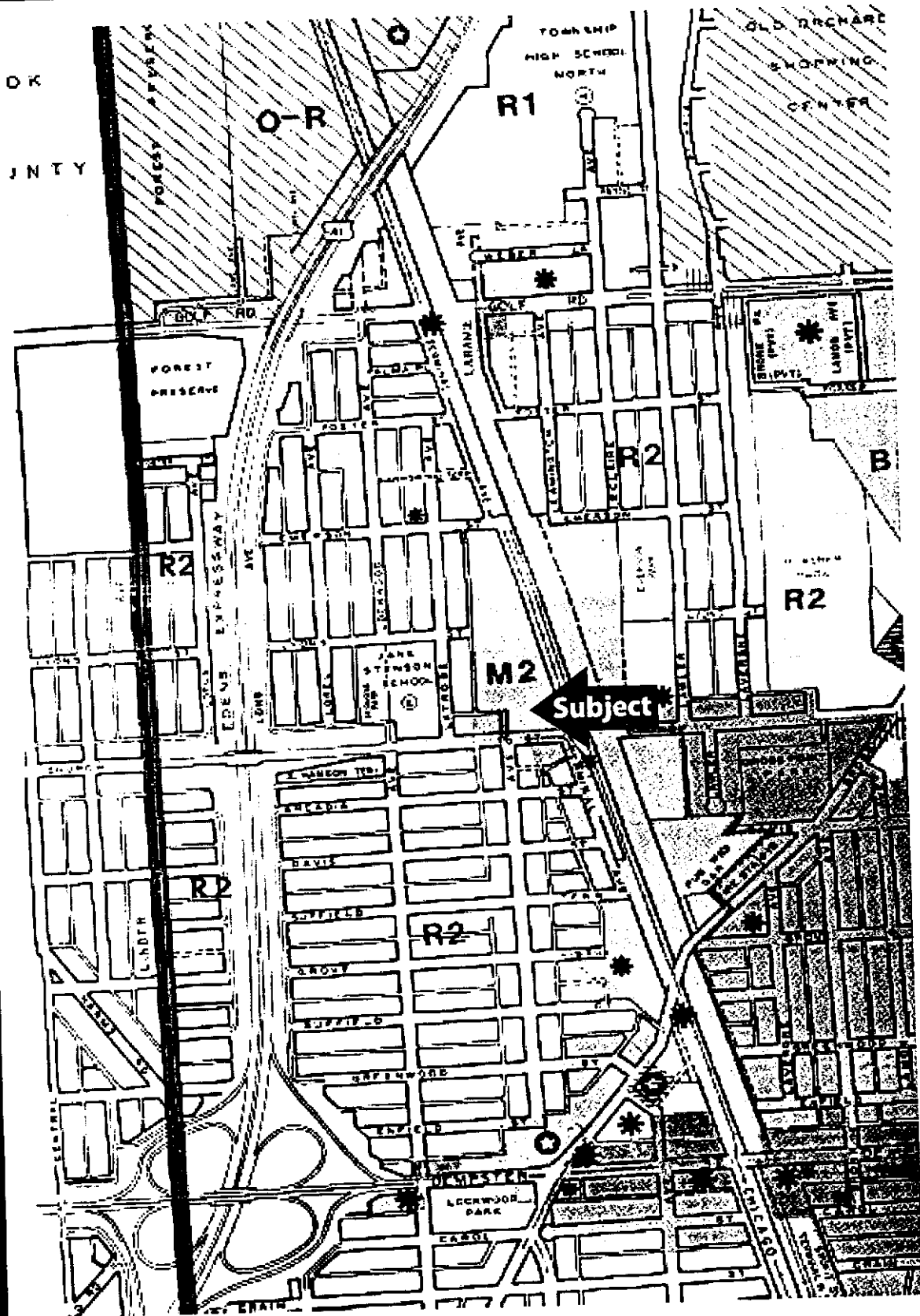
Subject Maps



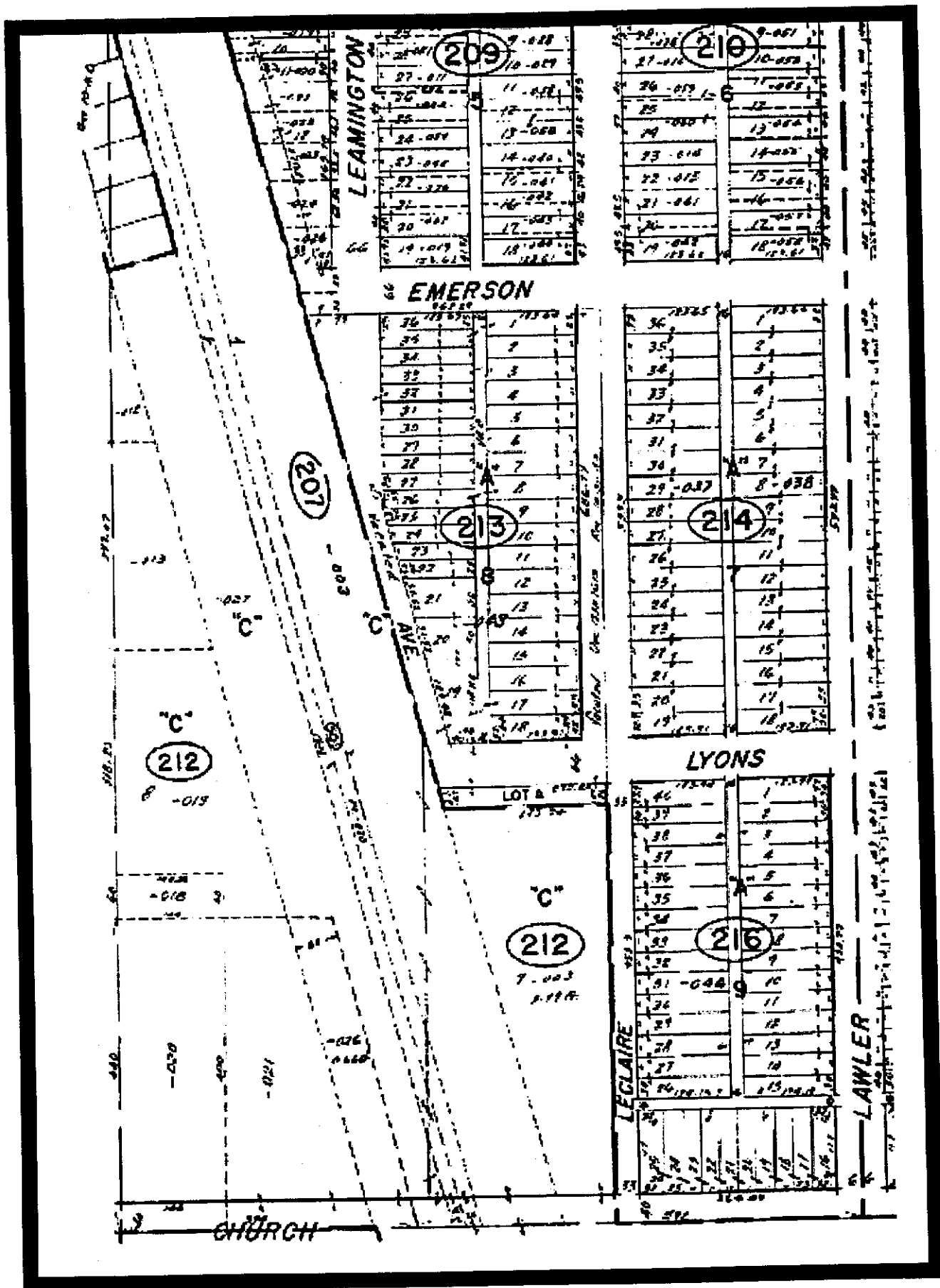
Real Estate Analysis Corporation

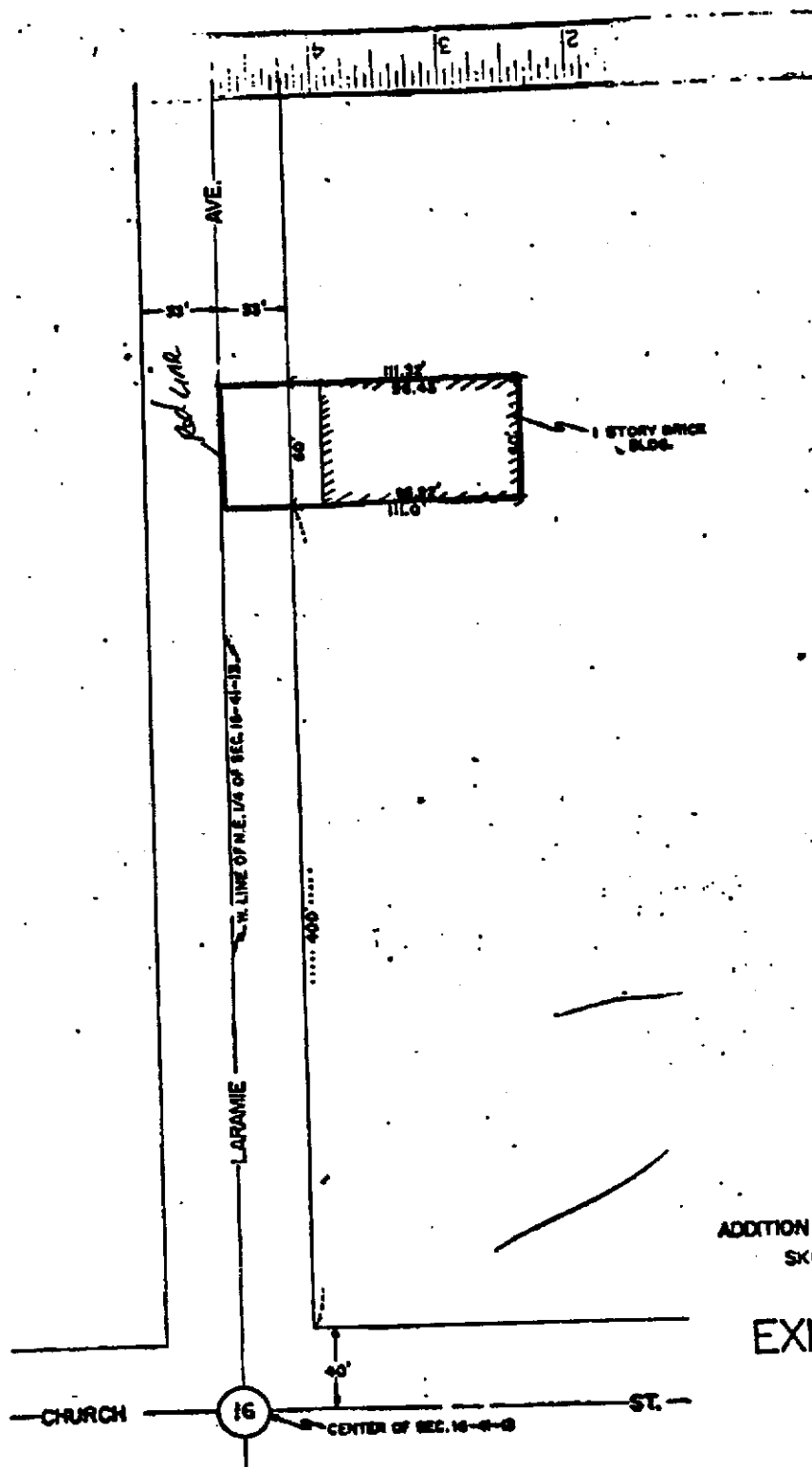


Real Estate Analysis Corporation



Real Estate Analysis Corporation





22 658 980

ADDITION TO SKOKIE T.S.S. 81
SKOKIE, ILLINOIS

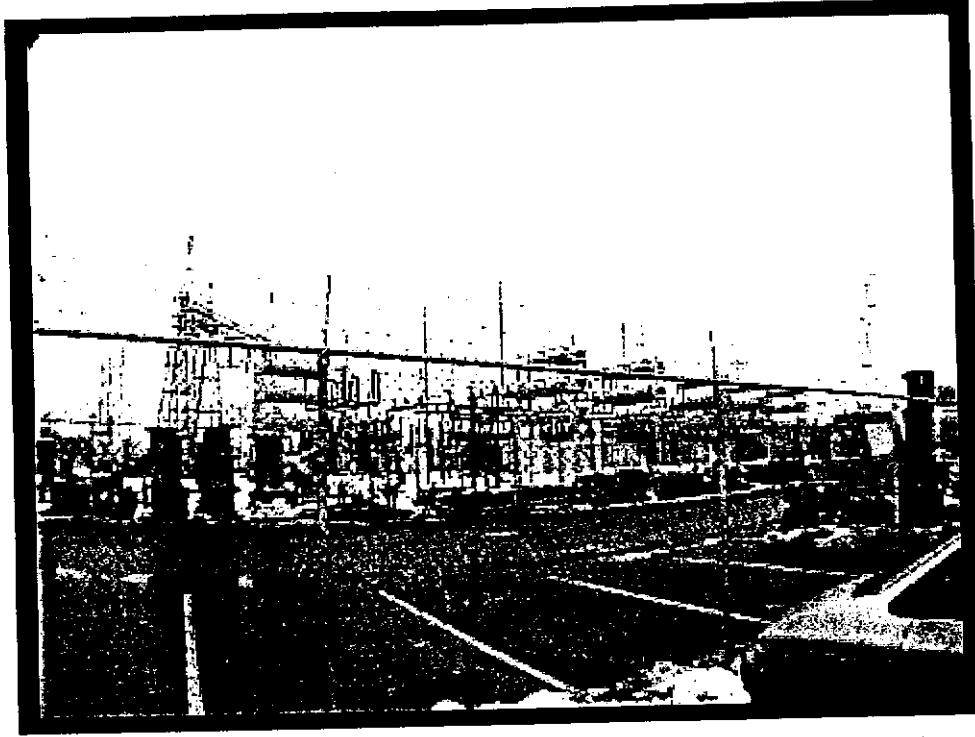
EXHIBIT "A"

DATE: 3-3-61
SCALE: 1" = 60'

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Subject Photos

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois



Southwest View of Subject Property



Southeast View of Subject Property

Highest and Best Use

Fundamental to estimating value is the concept of highest and best use.

Highest and Best Use is defined by The Dictionary of Real Estate Appraisal, 3rd Ed., as:

"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability."

To determine the highest and best use, a potential use is tested against each criterion. If the potential use does not meet the requirements of all the criteria, then it is eliminated from consideration. If there are several uses which pass the test of physical possibility, legal permissibility and financial feasibility, only the use which produces the highest price or value consistent with the market rate of return for that real estate is considered to be the highest and best use of the real estate.

Criterion, is tested against the economic concepts of supply and demand, substitution, balance, contribution and conformity to the subject's surroundings.

Physical possibility requires consideration of size, shape, area, design, terrain and condition of the site as well as the state of the real estate and its ability to continue in its current use. If the real estate might be converted to another use, the cost of conversion must be analyzed in comparison to the potential returns generated by the new use.

Legal permissibility requires the recognition of existing zoning or other legal restrictions or the use of the real estate when considering alternative uses. Alternative uses which depend on events or conditions that, while of possible, are not shown to be reasonable should be excluded from consideration when examining this criterion.

Financial feasibility of a potential use is based on the ability to produce an income or return equal to or greater than what is necessary to satisfy operating expenses, financial obligations and capital amortization. The potential uses expected to produce a positive return are regarded as financially feasible.

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

This analysis determines the highest and best use of the land as vacant and the highest and best use of the improved property as a whole. These concepts are defined by the Dictionary of Real Estate Appraisal, 3rd Ed., as:

Highest and Best Use of Land as Though Vacant:

"Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements."

Highest and Best Use of Land as Improved:

"The use that should be made of a property as it exists. An existing property should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one."

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Highest and Best Use as Vacant

The definition of highest and best use requires any projected alternative uses to be in conformance with the existing zoning code unless demonstrable market evidence indicates there is reasonable probability of a zoning change. The subject site is currently zoned M-2, Light Industry; this classification allows a variety of light industrial uses.

Physical Possibility

Uses that should be tested for physical possibility are residential, commercial, and industrial. The subject site has a total area of 8,640 square feet. The site is large enough to accommodate any of the enumerated potential uses. Therefore the uses that pass the test of physical possibility are residential, commercial, and industrial.

Legal Permissibility

Each use that passes the test of physical possibility must also pass the test of legal permissibility before considering the financial feasibility of that use. The current zoning on the subject site allows industrial uses. There is no indication that a zoning change is likely. Therefore the test of legal permissibility allows industrial uses.

Financial Feasibility

Each use that has passed the tests of physical possibility and legal permissibility must be tested for financial feasibility. The uses that pass the test of financial feasibility are industrial uses.

Maximum Productivity

If the land were vacant and available, we are of the opinion that its highest and best use would be industrial.

Methods of Valuation

The estimate of the value of any parcel of real estate is derived through the employment of one or all of the three approaches to value: Cost Approach, Income Capitalization Approach and Sales Comparison Approach. From the indications of these approaches, and the appropriateness of each approach, an opinion of value is generated based on judgments made within the outline of the appraisal process.

A synopsis of the methodology for each approach is as follows:

The Cost Approach

The Cost Approach indicates, through a comparative market analysis, the value of the subject site as vacant and the depreciated value of the improvements. These value indications are then combined to provide an estimate of value.

The Income Capitalization Approach

The Income Capitalization Approach indicates, through a comparative market analysis, the effective net income the subject may produce and an overall rate of capitalization. The effective net income is then divided by the overall rate to provide an estimate of value.

The Sales Comparison Approach

The Sales Comparison Approach indicates the value of the subject property through a comparative market analysis. The appropriate unit of comparison is used with the sale properties to derive a range of unit prices. The unit sale prices are adjusted to have more applicability to the subject and the representative unit price is applied to that unit characteristic. Through value indications produced by the comparative analysis and expert judgment within the appraisal process an estimate of value is reached.

Methods to be Used

For an analysis of vacant land only the Sales Comparison Approach is used.

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

The Sales Comparison Approach

- *Comparable Sales*
- *Conclusion*

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Land Value

The estimate of land value is generated through a comparative market analysis based on the principle of substitution. As used in this analysis, substitution reflects the value of the subject site indicated by the price paid to acquire a substitute site with similar characteristics to the subject.

This analysis assumes the subject site is vacant and available to be developed to its highest and best use. The procedure used for a market analysis of land value is outlined as follows:

1. Research the market for information on sales transactions, listings and offerings of properties considered similar to the subject property.
2. Verify the factual accuracy of the data and confirm that the transactions reflect arm's length market considerations.
3. Select relevant units of comparison and develop a comparative analysis for each unit.
4. Conduct a comparative analysis of the subject site and each sale comparable identifying the appropriate unit of comparison and adjusting for significant differences between the comparable and the subject. This comparative analysis will result in a judgment of the overall similarity between each comparable and the subject site. Through an analysis of all of the comparable sales, an indicated unit value for the subject site is developed.
5. Reconcile the value indications produced from the comparable analysis into a single value for the subject site, or a range of values if more than one unit of comparison is used.

Adjustments to the unit of comparison in this analysis assume no adverse environmental conditions are present at the subject or sale comparable sites, unless otherwise noted in the appraisal.

In performing this comparative analysis no attempt is made to apply individual percentage or nominal dollar adjustments to the sale properties. The homogeneity of market data does not exist to make definitive adjustments for individual characteristics. In deriving indicated unit prices consideration is given to the differences between the subject and the comparable properties.

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Characteristics of Vacant Industrial Land

The following are the characteristics considered in judging overall similarity and making unit adjustments.

Date of Sale

Market conditions change over time and adjustments must be made to sale prices for a property to reflect differences between market conditions when the comparables sold and the date of value for the subject site.

Location

The desirability of an industrial location is predicated on the proximity of labor and consumer markets, general accessibility, trends in the area, stage of life cycle and other factors. These factors must be considered in adjusting comparable sites for location.

Size

The utility of a site is directly related to size. Unit prices paid are relative to the size of the site. Generally, a larger site sells at a lower unit price than a similar smaller site due to economies of scale and the reduced number of potential purchasers for larger sites. Conversely, sites so small as to lack the utility for their highest and best use may also sell at reduced unit prices.

Zoning

Zoning classification defines the parameters for type and density of a site. It limits what can be done with the property and protects against the possible intrusion of incompatible uses. Generally, the more permissive the zoning, the greater potential the site has for development.

Shape

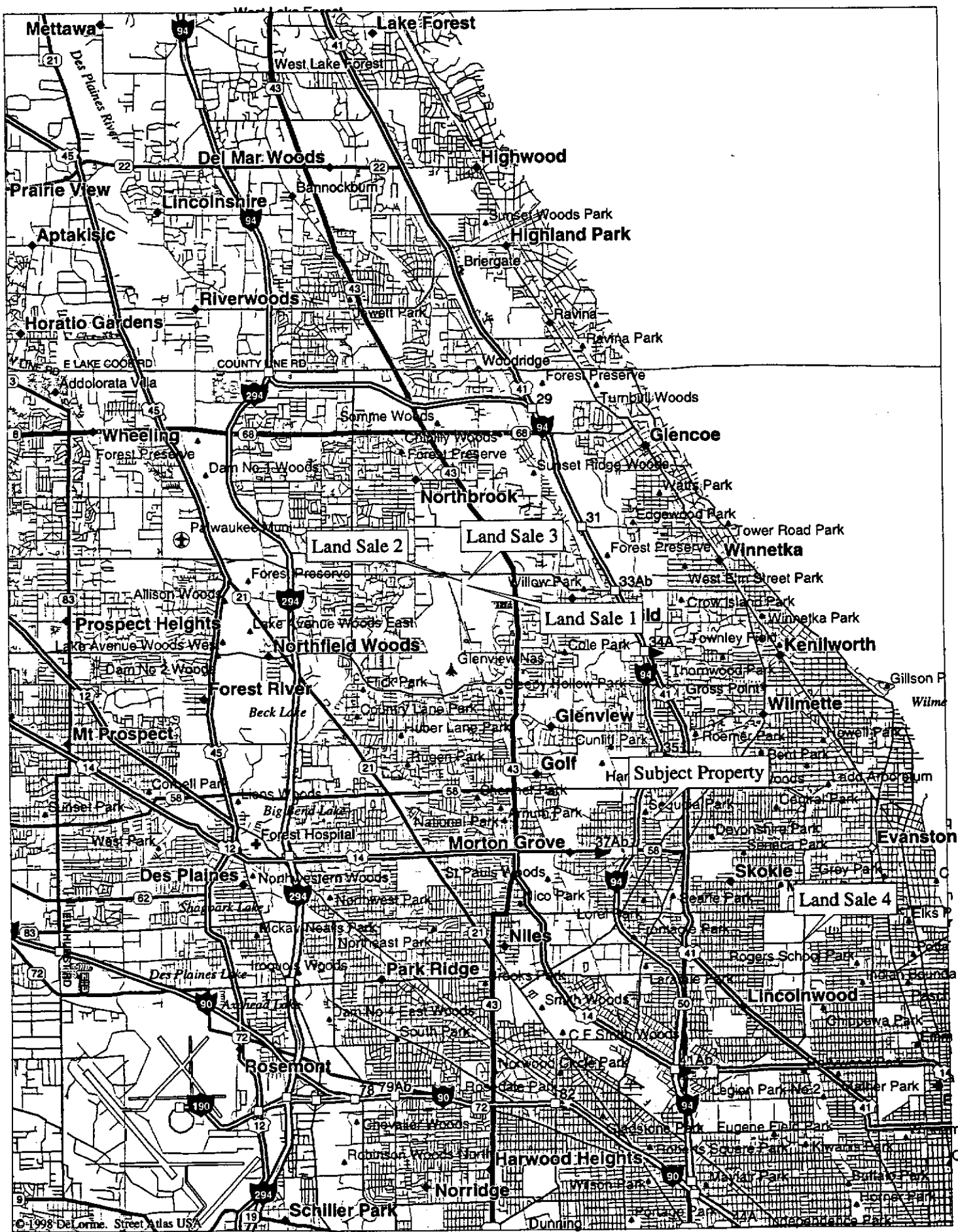
The shape of a property can impact the physical and functional utility of a site. Irregularity of shape can substantially restrict potential development. The corner of a triangular site, for instance, offers little utility for most potential uses beyond parking or landscaping.

Utilities

The availability of utilities affects the potential uses and determines the occupants which are attracted to the site. Sewage treatment, water supply, electrical supply and telephone service are some of the utilities necessary for site development.

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Land Sales



Real Estate Analysis Corporation

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Land Sale No. 1

Date of Sale:	March, 1998
Location:	2400 Ravine Road Glenview, Illinois
P.I.N.:	04-22-401-004 (part)
Land Area (square feet):	237,680
Zoning:	I-2
Flood Plain:	C
Sale Price:	\$1,188,395
Unit Sale Price (per square foot):	\$5.00
Buyer:	North Shore Park LLC (Arie Zweig-R.A. Zweig, Inc.)
Seller:	Soo Line Railroad Company
Document No.:	98206546

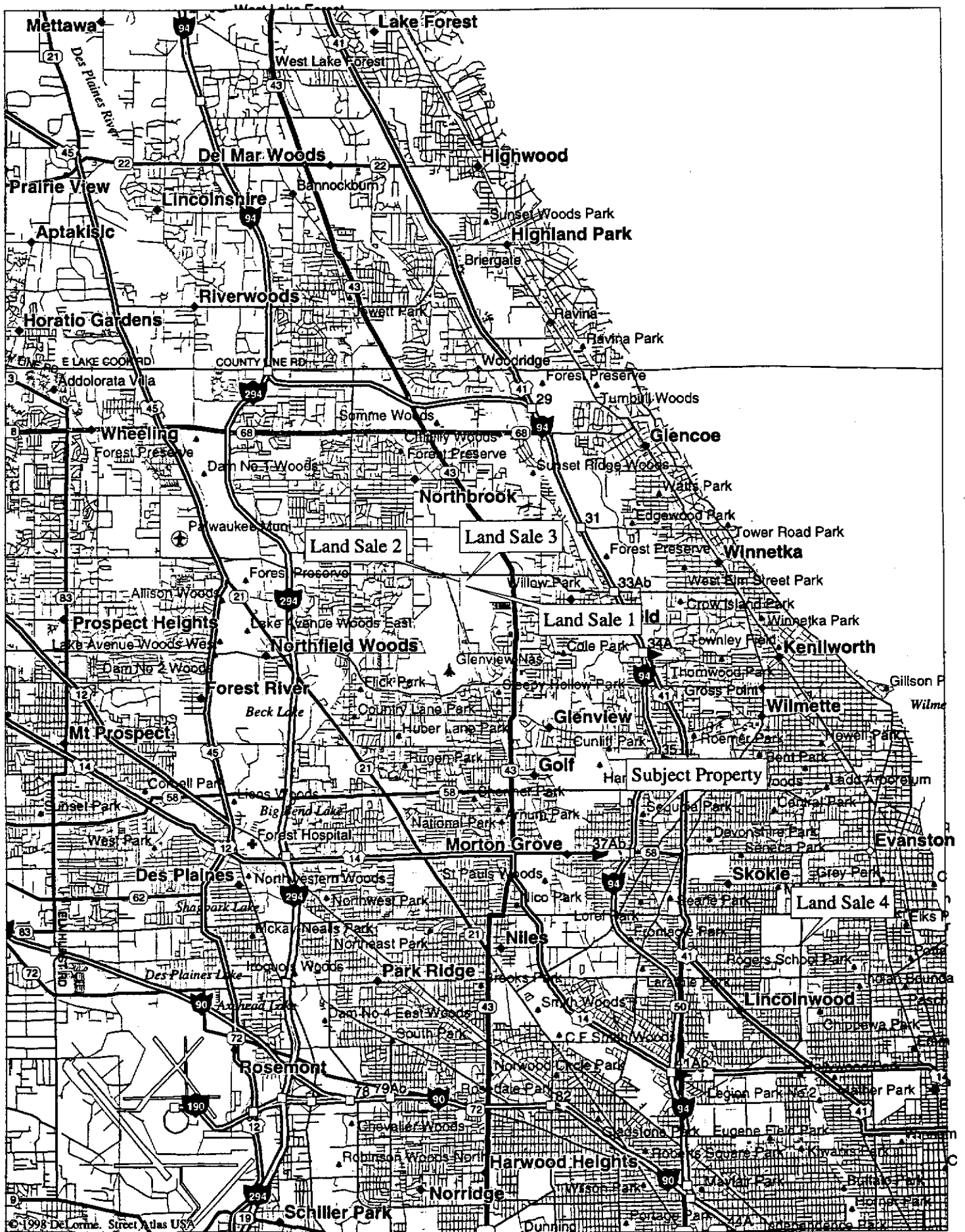
Comments

The sale consists of a vacant parcel of industrial zoned land, located within the North Shore Corporate Park in Glenview. The buyer, R.A. Zweig, planned to construct an industrial building on the site.

Bill Berendt, project manager for the seller, indicated this was the first lot sold within North Shore Corporate Park and was reportedly at a lower unit price than subsequent sales.

The property rights conveyed in this transaction were the fee simple estate. The purchaser acquired the property using cash.

The sale parcel has a rectangular shape with good access. The site has flat topography, and includes all utilities.



Real Estate Analysis Corporation

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Land Sale No. 1

Characteristics	Land Sale No. 1	Subject	Adjustment
Date ¹	3/98	1/01	+
Location	2400 Ravine Road Glenview	9243 North Laramie Skokie	=
Size (sq. ft.)	237,680	8,640	+
Zoning	I-2	M-2: Light Manufacturing	=
Flood Plain	C		=
Unit Sale Price	\$5.00	---	
Overall Similarity	---	---	+

¹ Date refers to Date of Sale for land sale comparable and Date of Value for subject property.

- + Indicates positive adjustment to unit sale price of the comparable land sale (considered inferior overall to subject).
- = Indicates minimal adjustment to unit sale price of the comparable land sale (considered similar overall to subject).
- Indicates negative adjustment to unit sale price of the comparable land sale (considered superior overall to subject).

Analysis

This sale occurred in March of 1998, and an upward adjustment is applied for improved market conditions since the date of sale. This sale is considerably larger than the subject site, and larger sites typically sell for a lower unit price. Therefore an upward adjustment is applied for site size. Overall, an upward adjustment is applied to this sale.

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Land Sale No. 2

Date of Sale:	September, 1998
Location:	Lot 10 Northshore Corporate Park Glenview, Illinois
P.I.N.:	04-23-301-001(part), 04-22-403-004(part), 04-23-301-010(part), -011(part)
Land Area (square feet):	87,120
Zoning:	I2b2
Flood Plain:	C
Sale Price:	\$457,380
Unit Sale Price (per square foot):	\$5.25
Buyer:	Arthur Weber
Seller:	Soo Line Railroad Company
Document No.:	98803243

Comments

The sale consists of a vacant parcel of industrial zoned land, located within the North Shore Corporate Park in Glenview. The buyer, Arthur Weber, planned to construct an industrial building on the site.

The property rights conveyed in this transaction were the fee simple estate. The purchaser acquired the property using cash.

The sale parcel has an irregular shape with good access. The site has flat topography, and includes all utilities.

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Land Sale No. 2

Characteristics	Land Sale No. 2	Subject	Adjustment
Date ¹	9/98	1/01	+
Location	Lot 10 Northshore Corporate Park Glenview	9243 North Laramie Skokie	=
Size (sq. ft.)	87,120	8,640	+
Zoning	I2b2	M-2: Light Manufacturing	=
Flood Plain	C		=
Unit Sale Price	\$5.25	---	
Overall Similarity	---	---	+

¹ Date refers to Date of Sale for land sale comparable and Date of Value for subject property.

- + Indicates positive adjustment to unit sale price of the comparable land sale (considered inferior overall to subject).
- = Indicates minimal adjustment to unit sale price of the comparable land sale (considered similar overall to subject).
- Indicates negative adjustment to unit sale price of the comparable land sale (considered superior overall to subject).

Analysis

An upward adjustment is applied for date of sale, due to improved market conditions over time. An upward adjustment is applied for site size, since this sale is larger than the subject site. Overall, an upward adjustment is applied to this sale.

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Land Sale No. 3

Date of Sale:	February, 2000
Location:	Southeast Corner of Willow Road & Old Willow Glenview, Illinois
P.I.N.:	04-22-202-005 (part)
Land Area (square feet):	331,936
Zoning:	I2/B2
Flood Plain:	C
Sale Price:	\$1,825,599
Unit Sale Price (per square foot):	\$5.50
Buyer:	Joseph Mullarkey Distributors, Inc.
Seller:	Soo Line Railroad Company
Document No.:	00082326

Comments

The sale consists of a vacant parcel of industrial zoned land, located within the North Shore Corporate Park in Glenview. The buyer, Joseph Mullarkey Distributors, plans to construct a warehouse/distribution building.

The sale price was reportedly negotiated in the fall of 1998, but the sale did not close until February of 2000. The long escrow was reportedly due to the developer of the park who had used the site to store topsoil. The buyer refused to close on the site until the topsoil was removed. According to the seller, sale prices for lots in the development generally increased from 1998 to the date of sale in 2000.

The property rights conveyed in this transaction were the fee simple estate. The purchaser acquired the property with all cash.

The sale parcel has an irregular shape with good access. The site has flat topography, and includes all utilities.

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Land Sale No. 3

Characteristics	Land Sale No. 3	Subject	Adjustment
Date ¹	2/00	1/01	+
Location	Southeast Corner of Willow Road & Old Willow Glenview	9243 North Laramie Skokie	=
Size (sq. ft.)	331,936	8,640	+
Zoning	I2/B2	M-2: Light Manufacturing	=
Flood Plain	C		=
Unit Sale Price	\$5.50	---	
Overall Similarity	---	---	+

¹ Date refers to Date of Sale for land sale comparable and Date of Value for subject property.

- + Indicates positive adjustment to unit sale price of the comparable land sale (considered inferior overall to subject).
- = Indicates minimal adjustment to unit sale price of the comparable land sale (considered similar overall to subject).
- Indicates negative adjustment to unit sale price of the comparable land sale (considered superior overall to subject).

Analysis

An upward adjustment is applied for date of sale to reflect improved market conditions since the date this sale was negotiated. An additional upward adjustment is applied since this sale is considerably larger than the subject site. Overall, an upward adjustment is applied to this sale.

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Land Sale No. 4

Date of Sale:	October, 2000
Location:	3325 Howard Street Skokie, Illinois
P.I.N.:	10-26-401-079
Land Area (square feet):	27,125
Zoning:	M-3
Flood Plain:	C
Sale Price:	\$187,500
Unit Sale Price (per square foot):	\$6.91
Buyer:	Selex LLC
Seller:	H & M Realty Corp. et al
Document No.:	00775312

Comments

The sale consists of a vacant parcel of industrial zoned land. The site is located in an area dominated by industrial development in eastern Skokie. Adjacent land uses include a Self-Storage facility to the west and south, and a gas station to the east that is situated on the southwest corner of McCormick Boulevard and Howard Street. The proposed use for the site was not disclosed.

The property rights conveyed in this transaction were the fee simple estate. This was reported to be an arm's length transaction with no unusual conditions of sale.

The sale parcel has a rectangular shape with good access. The site is generally level and includes all utilities.

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Land Sale No. 4

Characteristics	Land Sale No. 4	Subject	Adjustment
Date ¹	10/00	1/01	=
Location	3325 Howard Street Skokie	9243 North Laramie Skokie	-
Size (sq. ft.)	27,125	8,640	+
Zoning	M-3	M-2: Light Manufacturing	=
Flood Plain	C		=
Unit Sale Price	\$6.91	---	
Overall Similarity	---	---	=

¹ Date refers to Date of Sale for land sale comparable and Date of Value for subject property.

- + Indicates positive adjustment to unit sale price of the comparable land sale (considered inferior overall to subject).
- = Indicates minimal adjustment to unit sale price of the comparable land sale (considered similar overall to subject).
- Indicates negative adjustment to unit sale price of the comparable land sale (considered superior overall to subject).

Analysis

This sale is located near the intersection of McCormick Boulevard and Howard Street, and is considered to have superior exposure and accessibility compared to the subject. Based on this, a downward adjustment is applied. An upward adjustment is applied for size since this sale is larger than the subject. Overall, the upward and downward adjustments offset.

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Summary of Adjustments to Land Sale Comparables

The following table summarizes the physical characteristics of each sale property and the subject property, the adjustments made for each physical characteristic, and the overall judgement of the degree similarity between the subject and the sale.

Sale No.	Date ¹	Location	Size (sq. ft.)	Zoning	Flood Plain	Unit Sale Price	Overall Similarity
1	3/98	2400 Ravine Road Glenview	237,680	I-2	C	\$5.00	
	+	=	+	=	=		+
2	9/98	Lot 10 Northshore Corporate Park Glenview	87,120	I2b2	C	\$5.25	
	+	=	+	=	=		+
3	2/00	Southeast Corner of Willow Road & Old Willow Glenview	331,936	I2/B2	C	\$5.50	
	+	=	+	=	=		+
4	10/00	3325 Howard Street Skokie	27,125	M-3	C	\$6.91	
	=	-	+	=	=		=
Subj.	1/01	9243 North Laramie Skokie	8,640	M-2: Light Manufacturing		-	-

¹ Date refers to Date of Sale for land sale comparables and Date of Value for subject property.

- + Indicates positive adjustment to unit sale price of land sale comparable (considered inferior overall to subject).
- = Indicates minimal adjustment to unit sale price of land sale comparable (considered similar overall to subject).
- Indicates negative adjustment to unit sale price of land sale comparable (considered superior overall to subject).

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Conclusion of Land Value

The following table summarizes the overall similarity and unit sale price of each sale:

Sales Considered Inferior to the Subject Property		Sales Considered Similar to the Subject Property	
+		=	
Sale No.	Sale Price per Square Foot	Sale No.	Sale Price per Square Foot
1	\$5.00	4	\$6.91
2	\$5.25		
3	\$5.50		
\$5.00 to \$5.50		\$6.91	

Prior to adjustment, the comparable sales included in this analysis exhibit the following range of unit sale prices:

\$5.00 to \$6.91 per square foot of land area.

Based upon analysis of the data included in this approach, it is our opinion that the subject site, if vacant and available to be developed to its highest and best use, would have a market value of \$7.00 per square foot, indicating a total land value as follows:

Unit Value of Subject Land Site	\$7.00 per sq. ft.
<u>Multiplied by:</u> Subject Site Area	× 8,640 sq. ft.
<u>Equals:</u> Value of Subject Site	= \$60,480
Rounded Total Land Value	\$60,000

Indicated Land Value

\$60,000

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Conclusion

- Reconciliation and Final Estimate of Value
- Contingent Conditions
- Certification

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Reconciliation and Final Estimate of Value

The Sales Comparison Approach to value indicates the following value estimate:

Sales Comparison Approach.....\$60,000

A synopsis of the methodology as well as analysis of appropriateness for this approach follows.

The Sales Comparison Approach

In the Sales Comparison Approach, the value is indicated by comparing the subject property to comparable properties that have sold, and adjusting for the many differences between the subject and sale properties.

The comparable sales presented in this report are a good indication of what the subject property is worth.

After careful consideration of the facts and data influencing the value of the subject property as defined in this report and subject to the limiting conditions of this report, it is our opinion that the market value of the subject property as of January 1, 2001, was:

SIXTY THOUSAND DOLLARS

\$60,000

Contingent Conditions

Real Estate Analysis Corporation assumes that the fee simple title to this property is good and marketable; no title search or survey has been made of the property by Real Estate Analysis Corporation, and the value estimate is given without regard to any questions of title, boundaries, encumbrances, or encroachments.

Real Estate Analysis has not been provided with any subsoil tests. It is recommended that an engineer's subsoil analysis be prepared before any sale or development.

Real Estate Analysis Corporation has neither performed nor been furnished with an environmental study of the subject property. It is assumed that the subject property has not been contaminated by any hazardous materials.

Real Estate Analysis Corporation assumes any special assessments and real estate taxes are entirely paid and that the property is free and clear of such encumbrances.

The value estimates are based on the status of the national business economy and the purchasing power of the dollar as of the date of valuation.

The value estimate pertains to land, buildings and other improvements considered real estate as listed within the report. Furniture, fixtures, and personal property in general are not included in the value estimate.

Real Estate Analysis Corporation assumes no liability because of inaccuracies or errors in said estimate and opinions.

The appraisal is to be used in whole and not in part. No part of it shall be used in conjunction with any other appraisal, and is invalid if so used.

Possession of this report, or copy thereof, does not carry with it the right of publication, nor may it be used for any purpose by anyone but the applicant. Neither all nor any part of the contents of this report may be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication without the prior written consent and approval of the author of this appraisal report.

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

It should be clearly understood that the impact of the Americans With Disabilities Act on the subject can not be determined at this point in time. It appears that the long-range impact will be to increase costs of new construction, possibly affecting the value of vacant sites. The values of existing construction may also be affected by the need to bring the improvements into conformance. It is specifically assumed that the subject complies with the requirements of the Act. The reader is advised that the appraiser is not an expert in this field and that the appearance of conformance can not be relied upon. Should the client desire a definitive determination they are urged to engage the services of a recognized compliance expert.

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

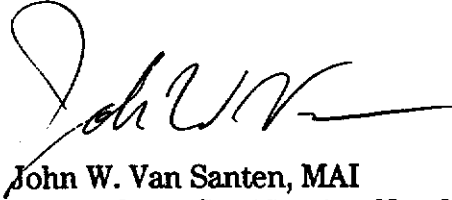
Certification

I certify that, to the best of my knowledge and belief:

- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of the appraisal.
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- John W. VanSanten has made a personal inspection of the property that is the subject of this report.
- no one provided significant professional assistance to the person, or persons, signing this report.
- the reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
- that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- as of the date of this report, John W. VanSanten has completed the requirements of the continuing education program of the Appraisal Institute.

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Based upon my experience as an appraiser and consideration of the information contained in this report, it is my opinion that the market value of this property, as defined herein, was \$60,000 as of January 1, 2001.

A handwritten signature in black ink, appearing to read 'John W. Van Santen', with a large loop at the start and a horizontal line at the end.

John W. Van Santen, MAI

Illinois State Certification Number: 153-001073

Certification Expiration Date: September 30, 2001

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Qualifications of the Appraiser

John W. VanSanten

Professional Designations

- MAI, Member of the Appraisal Institute
- Certified General Real Estate Appraiser, State of Illinois - 153-001073
- Certified General Real Estate Appraiser, State of Missouri - RA003223
- Certified General Real Estate Appraiser, State of California - AG027522
- Certified General Real Estate Appraiser, State of Ohio - 447646
- Certified General Real Property Appraiser, State of Kansas - G-1461

Employment

- Manager and Field Appraiser of residential, commercial, industrial and special purpose property for Real Estate Analysis Corporation, Chicago, Illinois (2001 to present)
- Prepared and reviewed appraisals of investment grade real estate for CBIZ Valuation Counselors, Vice President, Chicago, Illinois (1996-2001)
- Prepared appraisals on a variety of investment grade real estate for Real Estate Counselors International (RECI), Chicago, Illinois (1994-1996)
- Prepared appraisals on a variety of residential and commercial real estate for Wayne Wnek & Associates, Chicago, Illinois (1992-1994)
- Business Analyst for First Chicago and Midwest Stock Exchange, Chicago, Illinois (1986-1992)

Professional Experience

- Experience includes preparation and review of appraisals and feasibility studies on a variety of proposed and existing properties. Interests appraised include fee simple, leased fee, leasehold, and a variety of partnership interests. Property types include apartment complexes, assisted living facilities, business parks, charter schools, colleges, community shopping centers, congregate care facilities, distribution facilities, food processing facilities, hospitals, hotels, industrial buildings, land, manufacturing plants, medical office buildings, neighborhood shopping centers, nursing homes, office buildings and residential subdivisions

Memberships

- Appraisal Institute (MAI), Certificate Number 11506
- Co-Chair - Associate Member Guidance, Chicago Chapter, Appraisal Institute
- Past Chairman - Young Leadership Committee, Chicago Chapter, Appraisal Institute
- Past General Associate Member Liaison - Board of Directors, Chicago Chapter, Appraisal Institute
- Region III Representative - Young Advisory Council, Appraisal Institute
- Board of Directors Member, Chicago Real Estate Council

Education

- Masters of Business Administration, Finance with Real Estate Concentration
DePaul University, Chicago, Illinois, 1989
- Bachelor of Arts in Economics and Business Administration
Augustana College, Rock Island, Illinois 1986

Real Estate

- | | |
|--|------------------------------|
| • <i>Appraisal Institute</i> | • <i>DePaul University</i> |
| 1A-1 Real Estate Appraisal Principles | Real Estate Principles |
| 1A-2 Basic Valuation Procedures | Real Estate Finance |
| 8-2 Residential Valuation | Real Estate Appraisal |
| IL-V Basic Income Capitalization | Real Estate Graduate Seminar |
| IL-E Advanced Income Capitalization | |
| IL-E Advanced Sales Comparison and Cost Approach | |
| IL-I and IL-II USPAP Parts A & B | |
| IL-E Report Writing and Valuation Analysis | |
| IL-E Advanced Applications | |
| 175-451 The Appraiser as an Expert Witness | |

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Addendum

Appraisal of Commonwealth Edison, 9243 North Laramie, Skokie, Illinois

Legal Description

ALL THE PART OF THE NORTH SIXTY (60) FEET OF THE SOUTH FIVE HUNDRED (500) FEET OF THE NORTHEAST QUARTER OF SECTION SIXTEEN (16), TOWNSHIP FORTY-ONE (41) NORTH, RANGE THIRTEEN (13), EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT IN THE WEST LINE OF SAID NORTHEAST QUARTER, FOUR HUNDRED FORTY (440) FEET NORTH OF THE SOUTHWEST CORNER THEREOF AND RUNNING THENCE NORTH ALONG SAID WEST LINE OF THE NORTHEAST QUARTER OF SECTION SIXTEEN (16), SIXTY (60) FEET; THENCE EAST PARALLEL WITH THE SOUTH LINE OF SAID NORTHEAST QUARTER. ONE HUNDRED FORTY-FOUR AND THIRTY TWO HUNDREDTHS (144.32) FEET TO THE WEST LINE OF AN EASEMENT FOR SIDE TRUCK; THENCE SOUTH ALONG THE WEST LINE OF SAID EASEMENT SIXTY (60) FEET TO A POINT ONE HUNDRED FORTY-FOUR (144) FEET EAST OF THE WEST LINE OF SAID NORTHEAST QUARTER AND THENCE WEST ONE HUNDRED FORTY-FOUR (144) FEET TO THE POINT OF BEGINNING, SUBJECT TO AN EASEMENT OVER THE WEST THIRTY-THREE (33) FEET THEREOF FOR INGRESS TO AND EGRESS FROM CHURCH STREET AND TO ERECT AND MAINTAIN POLES AND LINES OF WIRE AND TO LAY AND MAINTAIN PIPES, WIRES, LINES AND CONDUITS OVER OR UNDER THE SURFACES OF SAID WEST THIRTY-THREE (33) FEET ALL FOR THE PURPOSE OF SUPPLYING TELEPHONE AND TELEGRAPH SERVICE, ELECTRIC CURRENT, GAS AND WATER TO, AND CARRYING AWAY OF SEWAGE AND SURFACE WATER.